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NATIONAL INTELLIGENCE DAILY CABLE

Monday 17 July 1978

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NATIONAL SECURITY INFORMATION

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National Intelligence Daily Cable for Monday, 17 July 1978.

The NID Cable is for the purpose of informing senior US officials.

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LEBANON: Situation Report

25X1 [] The situation in Beirut remains quiet, but both the Syrians and Christians apparently believe that fighting will break out again soon. President Sarkis withdrew his threat to resign Saturday. Fighting between rival Palestinian factions in southern Lebanon apparently has died down, but the situation is still tense.

25X1 [] During an address to the Lebanese people on Saturday in which he withdrew his threat to resign, Sarkis reviewed his past efforts to restore stability. He emphasized that Lebanon's security will remain in jeopardy as long as rival factions continue to operate with large quantities of arms. Sarkis recommended continuing close cooperation with the Syrian-dominated Arab Deterrent Force and rebuilding the Lebanese Army, but otherwise presented no new strategy for reconstruction.

25X1 [] According to the US defense attache in Damascus, there are still no signs of impending Syrian troop movements into Lebanon, although one of the two armored divisions near Damascus apparently is standing by. The attache commented that movement into Lebanon from the Damascus area is becoming more difficult because of the increasingly crowded conditions on the main road to Beirut.

25X1 [] Sources of the US defense attache in Beirut report that Syrian troops have begun to move into positions near Bikfayya, the home village of the Jumayyil family, which leads the Phalanges party. While the attache cannot confirm this report, he commented that such a move would create apprehension among the Phalanges leadership, and could also put the Syrians in a position to threaten the port facilities at Juniyah. [] 25X1

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CUBA: Opposition in Nonaligned

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[redacted] //Cuba, which aspires to a leading role in the nonaligned movement, is concerned by growing tensions in the movement and by recurring charges that it is too close to the USSR to be truly nonaligned. Havana is particularly sensitive to criticism of its role in Africa by nonaligned moderates and has launched a diplomatic campaign to improve its position before the nonaligned foreign ministers meet in Belgrade late this month. Cuba is not in serious trouble in the movement, but some key nonaligned states will continue to criticize it.//

25X1

[redacted] ///Cuba is looking ahead to the nonaligned summit scheduled to meet in Havana in August 1979. President Castro expects the summit to enhance his stature as a leader of the Third World. As the host of the summit, Cuba will assume the role of unofficial spokesman for the movement for the three years before the next summit.//

25X1

[redacted] //The meeting in Havana of the movement's coordinating bureau in May was one of the most divisive non-aligned gatherings on record. Cuba--with the backing of Algeria, Angola, and Iraq--tried to guide the meeting toward anti-Western positions while at the same time seeking to appear flexible. Stiff and effective resistance from aroused moderates--particularly India and Yugoslavia--managed to soften some of the hard-liners' positions. On balance, however, Cuba was fairly successful and managed to mute criticism of its role in Africa.//

25X1

[redacted] //The Cubans expect more serious problems in Belgrade, where the foreign ministers convene on 25 July. In anticipation, they sent high-level missions to several non-aligned countries this month and last in an effort to shore up their position in the movement.//



25X1 [redacted] //A Cuban vice foreign minister pressed
Cuba's case last month during a tour that took him to Angola,
Mozambique, Tanzania, and Zambia. He criticized "those who
would expel Cuba from the nonaligned movement." [redacted]

25X1 NICARAGUA: Violence

25X1 [redacted] *The continuing conflict between the Somoza government and opposition forces is entering another violent cycle. At least seven persons have died in the past week in clashes between youthful demonstrators--some armed with bombs--and national guardsmen in several towns south of Managua. The Broad Opposition Front, a coalition of most Nicaraguan opposition groups, has called for a nonviolent, 24-hour national work stoppage on Wednesday. Some anti-Somoza elements, however, are likely to resort to violence in order to provoke the government into repressive countermeasures.*

25X1 [redacted] Much of the private sector will probably give the work stoppage its grudging cooperation but will resist rumored efforts by workers to begin the strike today. Businessmen generally agree that President Somoza should be replaced, but they will be reluctant to suffer economic losses similar to those caused by a two-week work stoppage last January.

25X1 [redacted] A successful strike could contribute significantly to the Broad Opposition Front's growing influence and acceptability in the historically splintered opposition movement. The Front's plan to limit the strike to one day, however, is tacit acknowledgment that it lacks the resources, clout, and immediate cause to present a major challenge at this time.

25X1 [redacted] Nicaragua's leading guerrilla group, the Sandinista National Liberation Front, does not belong to the Front. Instead it cooperates with the "Twelve," a group of opposition leaders

who returned from exile two weeks ago in hopes of igniting the anti-Somoza movement. The government ignored the return of the Twelve, however, and they have had no appreciable role in the recent escalation of opposition activities.

[] The work stoppage could well produce further violence. The National Guard is under standing orders to act with restraint, but guardsmen are disturbed by recent jury acquittals of a number of Sandinista guerrillas and may well overreact under the continuing pressure of violent demonstrations. []

NIGERIA: Military Disengagement

[] Nigerian Head of State Obasanjo has announced a gradual disengagement of the military from lower levels of the government in preparation for turning the country over to civilian rule next year. He warned that the ruling military council will govern with undiminished vigor and that the ban on politics will not be lifted until the council has approved Nigeria's new draft constitution. Foreign Minister Garba may return to the military; Obasanjo and other senior officers apparently plan to resign from the Army coincident with civilian rule.

[] Obasanjo announced on Friday that state military governors and selected officers serving as federal ministerial commissioners will be returned to military duties effective 24 July to make the military less visible in the government during the transition to civilian rule. The governors are to be replaced by interim military administrators, drawn from the ranks of middle-grade officers, who will be assisted by civilian deputies.

[] Obasanjo apparently hopes to appease middle-grade officers who want a greater share of power and who are suspected to oppose civilian rule. These politically inexperienced officers, however, may have difficulty dealing with increased regional and ethnic tensions that inevitably will follow the formal resumption of civilian political activity.

[] We do not know if all six military commissioners in the 25-man federal cabinet will be dropped. According to one press report, Foreign Minister Garba plans to return to the military. The US Embassy doubts, however, that Garba will be removed at this time.

25X1 [] Obasanjo also announced that officers holding purely political offices through the end of military rule will not be reintegrated into the armed forces. This apparently means that he and Brigadier Yar'Adua, the regime's number-two man, will retire in October 1979 when a civilian government takes over.

25X1 [] Obasanjo warned that the government would not tolerate any disruption of its civil-rule program. He said that only after Nigeria's new draft constitution has been approved by the military council would the ban on politics be lifted. The Nigerian press speculates that this may not occur until mid-August at the earliest and that the military may well stick to its target date of 1 October. [] 25X1

GUINEA-US: Patrol Craft Issue

25X1 [] *Guinean President Toure is annoyed by US failure to provide the patrol boats that his government requested 13 months ago, when Guinea told the Soviets they could no longer use Conakry for deployment of TU-95 naval reconnaissance aircraft. US Ambassador Crosby does not believe Toure is so rankled, however, that the issue will seriously impair improved Guinean-US relations or cause Toure to reverse his policy of reducing dependence on the Soviets and attracting greater Western aid.*

25X1 [] In a meeting with Ambassador Crosby last Thursday, Toure reflected annoyance about US unresponsiveness and asked for a nonmilitary version of patrol craft to protect Guinea's fishing waters. Toure did not suggest that he might reconsider the ban on TU-95 aircraft, however, or indicate that he was seriously dissatisfied with Guinean-US relations. Moreover, he is seeking an invitation to pay an official visit to the US.

25X1 [] Toure's relatively relaxed treatment of the patrol boat matter--in contrast with that of Prime Minister Beavogui who earlier this month charged US violation of a moral obligation to respond in kind to Guinea's termination of TU-95 use of Conakry--may reflect in part the fact that the Soviets have offered to repair Guinea's aging coastal patrol fleet and to provide three used patrol craft.

25X1 [] He is clearly looking for a greater US response to Guinea's needs in various fields, however, and will not hesitate to voice serious doubts about the value of improved relations with the US if tangible results are not forthcoming. [] 25X1

CHINA: Natural Resource Plan

25X1 [] //China's new science plan stresses the speedy and comprehensive exploration of natural resources, and the Chinese are developing an improved remote sensing capability as a major part of this program--largely through acquisition of foreign technology. Such a capability would be especially effective in the many rugged and isolated areas of China.//

25X1 [] //The Chinese now are attempting to buy or are considering the purchase of a wide range of airborne remote sensing equipment. In some cases, they are seeking an entire system, including aircraft, data processing equipment, and training.//

25X1 [] //In addition, more Chinese delegations are going abroad to examine resource exploration techniques. A Chinese group headed by the director of the State Geology Bureau has visited a number of West German and French earth science organizations, and the French are sending experts to China to discuss remote earth sensing techniques.//

25X1 [] //The Chinese believe that their industrial development and the generation of funds for the purchase of needed foreign technology in many ways depend on the rapid and efficient development of natural resources. Although China possesses an abundance of many important minerals, their extent and quality is far from fully mapped, especially by the more modern and precise methods now available. []

25X1

WEST GERMANY: Labor Discontent

25X1 [] //The postwar harmony among West German labor, management, and government was dealt a blow by the recent bitter round of wage negotiations. Workers finally settled for wage increases smaller than those won in 1977, but the antagonism that surfaced in the bargaining process could have far-reaching effects.//

25X1 [] //Labor tranquility showed signs of strain before this year's round of wage negotiations began. Real wage growth slowed in 1975, but union leaders accepted the deceleration in earnings because of offsetting tax cuts and the belief that business had to increase earnings to accelerate investment.//

25X1 [] //Many companies, however, directed their new investment abroad of purchased labor-saving equipment. Legislation passed in 1976, moreover, failed to grant workers the role in company management they desired.//

25X1 [] //The 1978 wage negotiations were characterized by unprecedented strikes and lockouts. Job security was a key issue; strikes over job protection clauses accounted for over 90 percent of the working days lost so far this year. Union members demonstrated greater militancy than their leaders and rejected several major contracts proposed by the union leaders.//

25X1 [] //The wage settlements will exceed the government's guideline for a 5.5-percent increase in total gross earnings by less than 1 percentage point but could still depress economic growth and add to unemployment. Simulation on a model of the German economy suggested the increases envisaged by the government guideline will boost the number of unemployed workers by 45,000 this year and 60,000 in 1979. [] 25X1

BRIEFS

Bolivia

25X1 [] The Bolivian National Electoral Court has announced that it will not release any new election results until tomorrow at the earliest. Although the decision was attributed to "inaccurate transmission of some results," the action resulted primarily from the court's indecision over how to handle a large number of fraudulent votes. The latest unofficial returns show that the government candidate, Juan Pereda, still has slightly more than the absolute majority needed for victory. [] 25X1

Cambodia-Thailand

25X1 [] Cambodian Deputy Prime Minister for Foreign Affairs Ieng Sary's visit to Bangkok over the weekend appears to have

[REDACTED]

gone smoothly. The Thai gave Sary a warm, high-level welcome on Friday and he reportedly responded by emphasizing Cambodia's desire for improved relations with Thailand.

25X1 [REDACTED] According to Thai Foreign Minister Uppadit, both sides conceded that "misunderstandings" had caused the serious clashes along the Cambodian-Thai border in recent years. Sary, who is scheduled to return to Phnom Penh today, is said to have promised an effort to prevent further border incidents. [REDACTED]

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